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WASHINGTON, D. C. 20006

(202) 429-7000

June 17, 1993

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JUN 1 7 1993

Ms. Donna R. Searcy Secretary Federal Communications Commission 1919 M Street, NW, Room 222 Washington, DC 20554 FEDERAL COMMUNICATIONS COMMUNICATION

Re: Notification of Permitted Ex Parte Presentation MM Docket No. 92-264

Dear Ms. Searcy:

WRITER'S DIRECT DIAL NUMBER

(202) 429-7303

Viacom International Inc. ("Viacom"), by its attorneys and pursuant to Section 1.1206(a)(2) of the Commission's rules, hereby submits an original and one copy of this memorandum regarding a permitted ex parte presentation to the Commission's staff regarding Viacom's comments, reply comments and further reply comments filed in response to the Notice of Proposed Rule Making ("NPRM") in MM Docket No. 92-264, FCC 92-542 (rel. December 28, 1992). This NPRM sought comment on the implementation of Sections 11 and 13 of the Cable Television Consumer Protection and Competition Act of 1992. Those provisions deal with the horizontal and vertical ownership limits, cross-ownership limitations and anti-trafficking provisions.

Relevant to this matter, a copy of the attached document was delivered on this date to William Johnson of the Mass Media Bureau. This information was provided to Mr. Johnson prior to the release of the "Sunshine Agenda" in MM Docket No. 92-264.

No. of Copies rec'd

Ms. Donna R. Searcy June 17, 1993 Page 2

Kindly direct any questions regarding this matter to the undersigned.

Respectfully submitted,

Wayne D. Johnsen

WDJ/rr Enclosure

cc: William Johnson

WILEY, REIN & FIELDING

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LAWRENCE W. SECREST III (202) 429-7074

June 17, 1993

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Mr. William Johnson The Federal Communications Commission Room 314 1919 M Street, NW Washington, DC 20554

Dear Bill:

At the request of Ellen Schned, I am enclosing a copy of an outline of key points recently made by Viacom in discussions of "channel cap" issues in connection with the FCC's Horizontal and Vertical Ownership proceeding.

Best regards.

Sincerely yours,

CHANNEL CAP ISSUES

- 1. Application only to <u>the</u> vertically integrated cable operators.
- 2. Grandfather existing carriage.
- 3. Exempt popular services (e.g., carriage on systems serving 50% of non-affiliated subscribers nationwide).
- 4. Exempt new services for 5 years.
- 5. Apply only to national services -- encourage localism.
- 6. Setting the cap:
 - a. All activated channels (including PEG/must carry/leased access).
 - b. Limit application to 54 channels.
 - c. No more than 50% to commonly-owned/non-exempt services.
 - d. Phase-out where effective competition exists.